

TITLE : Western Health Care Network Organisational Change Agreement 1996

AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION Industrial Relations Act 1988
s.170MA certification of agreement Australian Nursing Federation and others
and Western Health Care Network (C Nos 31304 and 31305 of 1996)

WESTERN HEALTH CARE NETWORK ORGANISATIONAL CHANGE AGREEMENT 1996 (ODN C Nos
00606 of 1983, 30578 of 1991, 31827 of 1992 and 33278 of 1994)
Various employees Health and welfare services
SENIOR DEPUTY PRESIDENT MACBEAN SYDNEY, 3 APRIL 1996
Certification of single enterprise agreement

CERTIFICATION OF AGREEMENT

In accordance with section 170MC of the Industrial Relations Act 1988, the Commission hereby certifies the attached memorandum of the terms agreed on between the Australian Nursing Federation, the Health Services Union of Australia and the Western Health Care Network in this matter. This agreement was certified on 2 April 1995 and shall operate as per clause 3 from 27 February 1996 (date of signing) and remain in force for 12 months.

BY THE COMMISSION: SENIOR DEPUTY PRESIDENT

Appearances: S. Caddie for the Australian Nursing Federation.

I. Douglas and S. Eichenbaum for the Health Services Union of Australia.

II. G. McKay with J. Locke for the Western Health Care Network.

Hearing details: 1996. Melbourne: April 2.

Incidence and Parties Bound

This Agreement shall bind the Western Health Care Network, the Health Services Union of Australia and the Australian Nursing Federation in respect of all employees of the Network who are eligible to be members of the:

- Health Services Union of Australia (Vic. No. 3, 4 and 5 Branches);
- Australian Nursing Federation.

Preamble

A. This Agreement relates to organisational changes that are likely to have significant effects on employees.

B. This Agreement applies to all permanent full time and permanent part-time employees, including employees who, whilst classified as casual, should more properly be regarded as permanent part-time because of the regular nature of their hours/shifts.

C. This Agreement only applies to temporary, casual and fixed term employees to the extent where redeployment is considered necessary to satisfy the terms of the temporary, casual or fixed term employment arrangement..

1 - Scope of Agreement

1.1 All payments under this Agreement apply to permanent full time employees and on a pro rata basis to permanent part-time employees, including employees who, whilst classified as casual, should more properly be regarded as permanent part-time because of the regular nature of their hours/shifts.

1.2 Nothing in this Agreement shall be construed as conferring any obligation on the Network to extend or make permanent the employment of an employee subject to the terms of this Agreement whose employment would otherwise have ceased if the employee was not subject to the terms of this Agreement.

2 - Definitions

"*affected employee*" means a staff member of the Network who is subject to organisational change proposals which have a significant effect on that employee;

"*Change Manager*" means a person who is skilled in the human resource aspects of change management and who has been designated to assist in coordinating a smooth, transitional process for organisational changes within the Network;

"*continuous service*" means 'continuous service' as defined in the appropriate industrial award for long service leave purposes and is calculated pro-rata on a monthly basis,

"*Hospital*" means all those facilities and services of any hospital managed by the Network Board at the date of signing this Agreement;

"*Network*" means the Western Health Care Network managed by the Western HealthCare Network Board at the date of signing this Agreement;

"*Network Board*" means persons comprising the Western Health Care Network Board of Directors at the date of signing this Agreement;

"*ordinary pay*" means the employee's base rate of pay as per their substantive award classification plus any allowances and penalties pursuant to the affected employee's relevant award which form part of the normal pay averaged over the preceding 12 months worked, but excluding overtime payments.

"*organisational change*" means any change in production, program, organisational structure or technology which is likely to have a significant effect on employees;

"*reasonable offer*" means an offer of a position which:

- o is in the same professional discipline as that of the employee's former position or if not, is in a professional discipline acceptable to the employee;
- o is of the same classification, grade or wage group as that of the employee's former position or, if no such position is available, is not more than one classification, grade or wage group below that of the employee's former position;
- o takes due account of the personal circumstances of the employee including family commitments and responsibilities.

"*significant effect*" means a change to an employee's existing employment contract which may include:

- (a) the employee's position being made redundant;
- (b) termination of employment;
- (c) major changes in the composition, operation or size of the Network's workforce or in the skills required,
- (d) the elimination or diminution of job opportunities, promotion opportunities or job tenure,
- (e) alteration to the employee's hours of work;
- (f) the need for retraining or relocating the employee to other work or locations within the Network; or'
- (g) the restructuring of jobs.

"*unions*" means the unions which are signatories to this Agreement.

3 - Term of Agreement

The term of this Agreement is for 12 months from the date of signing this Agreement.

4 - Consultation

- 4.1 The Network promotes and encourages proper consultation on matters that affect staff.
- 4.2 Where the Network has made a definite decision to implement changes in its program, Organisation, structure or technology that are likely to have a significant effect on employees, the Network shall, as early as practicable, consult with the employees, the local representatives of the relevant union/s and the State branch of the relevant union/s before the introduction of any proposed changes.
- 4.3 The Network Change Committee (refer Appendix 2) shall operate as the principal consultative forum for discussion of major change initiatives.
- 4.4 The Network shall discuss with the affected employees, their union representatives at the workplace and the union/s amongst other things:
- (a) the introduction of changes likely to have a significant effect on employees;
 - (b) the effects such changes are likely to have on employees;
 - (c) the reasons for any proposed redundancies and measures to avert or mitigate the adverse effects of such changes on employees, and shall give prompt consideration to matters raised by the employees and/or their union representatives in relation to the changes. These discussions shall commence as soon as practicable after the notification in accordance with clause 4.2 has been made.
- 4.5 For the purposes of such discussion, the Network shall provide in writing to the affected employees and their union representatives:
- (a) all relevant information about the changes, including the nature of the changes proposed;
 - (b) reasons for any proposed redundancies and the number of employees and categories likely to be affected;
 - (c) the period over which the terminations are likely to take place; and
 - (d) the expected effects of changes on employees and other matters that may impact on them, provided that the Network shall not be required to disclose confidential information, the disclosure of which would be contrary to the Network's interests.

5 - Change Implementation

The Network endeavours to provide an environment of information sharing and feedback through all levels of the Organisation. The Network shall nominate a person to fulfil the role of Change Manager to assist in achieving the consultative objective outlined in clause 4 and whose responsibilities shall include ensuring that full consultation with unions, affected employees and their managers occurs once the organisational change proposal has been decided upon by the Network Board but prior to its implementation. This shall involve, among other things:

- (a) the Change Manager meeting on a regular/agreed basis with affected employees, their representatives and managers;
- (b) the Change Manager discussing and making recommendations to management in relation to any redeployment, retraining, relocation or redundancy issues applicable to an affected employee; and
- (c) the Change Manager providing regular reports and advice to the Network Change Committee.

6 - Redeployment

- 6.1 Where positions are declared redundant, the Network, through the Change Manager, shall seek redeployment opportunities for affected employees. This shall occur by the introduction of the Network Redeployment Service and Campus Vacancy Register.
- 6.2 Where redeployment opportunities for an affected employee are not immediately available, the period during which redeployment opportunities shall be investigated ("redeployment period") shall be limited to 13 weeks.
- 6.3 An employee who has expressed a preference to be redeployed within the Network shall be advised of
- (a) the date on which they enter the redeployment process- and
 - (b) the projected date on which this redeployment period expires subject to the redeployment period not formally commencing until appropriate consultation has occurred regarding the intended change.
- 6.4 If at any time during the redeployment period, it is agreed that it is unlikely that the affected employee will be successfully redeployed, the affected employee may accept a redundancy package referred to in Appendix 1.
- 6.5 The Network, through the Change Manager, shall provide counselling and retraining (subject to any financial and timing constraints) to assist in redeployment where appropriate.
- 6.6 Every effort shall be made to redeploy staff to a position equivalent to their own in terms of classification, grade or wage group, and income. The Network will take into account the personal circumstances of re-deployees including family commitments and responsibilities. However, flexibility will need to be exhibited by affected employees in terms of their willingness to accept alternative positions.
- 6.7 Redeployment of an affected employee shall be considered in the following circumstances:
- (a) where the position is one of a number of similar positions allocated under a Fostering system (eg. nursing, environmental services and food services) the affected employee shall be placed in a vacant rostered position if one is available. This shall occur through the appropriate departmental Fostering practice and applies to and between all Network campuses at which the department operates. Staff shall be provided with appropriate notice of roster changes in accordance with the relevant award provisions; or
 - (b) where subclause 6.7(a) does not apply, but where there is an alternative vacant position available at any Network campus for which an affected employee is suitably qualified, the position shall be notified to the Change Manger who shall ensure all suitable affected employees are encouraged to apply.
- 6.8 Staff awaiting final redeployment may be transferred to temporary alternative duties within the Network. Such temporary duties shall be in accordance with the employee's skills and experience and shall, wherever practicable, be within the employee's substantive service area.
- 6.9 Where the redeployment:
- (a) is to a position of a lower paid classification, grade or wage group than previously held,
 - (b) is to a position which offers shorter hours than previously held- or
 - (c) results in a loss of allowances,

the income maintenance arrangement outlined in clause 9 shall apply.

6.10 In circumstances where an affected employee rejects a reasonable offer of redeployment, the matter shall be considered by the Network Change Committee prior to any further management action.

7 - Retraining

7.1 Retraining may be granted by the Network if it is considered that an affected employee's opportunity for redeployment to a suitable position would be significantly increased by undertaking such training.

7.2

7.3 Where on-the-job training is necessary to be undertaken by the affected employee in a redeployment situation, any associated training costs shall be borne by the affected employee's previous department.

7.4 Where external training is necessary to be undertaken by the affected employee, the appropriate associated costs shall be borne by the Hospital.

7.5 Retraining shall be provided to the extent that it would normally be provided to any new employee in that position.

8 - Relocation

8.1 Relocation refers to the situation where an affected employee is required to move to a different Network campus as a result of an organisational change.

8.2 Relocation for the purposes of this section may include permanent or temporary transfer.

8.3 Employees will be exempt from the relocation provisions in clause 8 if the Hospital and/or campus to which they are being relocated is a location to which they can be expected to be deployed as part of their existing employment conditions.

8.4 As soon as practicable after a decision is made by the Network to temporarily or permanently relocate an affected employee, the Network shall advise the affected employee in writing of the decision, the proposed timing of the transfer and any other alternatives available to the affected employee. The relevant union shall be advised as soon as practicable about the decision by the Network.

8.5 The Network shall ensure that employees who are to be relocated are provided with information on the new location's amenities, layout and local operations prior to the relocation. Consultation between the Network and relevant union/s shall occur in relation to the content of such information.

8.6 Where an employee is relocated, the Hospital shall provide at least seven(7) days notice to the affected employee unless otherwise mutually agreed.

8.7 Where relocation results in a loss of income, the income maintenance arrangement outlined in clause 9 shall apply.

8.8 Any affected employee on a temporary specified period contract and who is relocated during such specified period shall be covered by the terms of this Agreement for the duration of the temporary contract. Any offer of employment subsequent to such specified period shall not be subject to the terms of this Agreement.

8.9 It is recognised that individual employees may suffer financial loss in relation to additional travelling expenses as a result of permanent or temporary relocation with the Network.

8.10 Any employee who believes he/she is likely to incur such a loss should submit a claim to the Change Manager with an estimate of the likely additional travelling expenses for the period of redeployment up to a maximum of 6 months. A lump sum payment of up to a maximum of \$750 will be made as per the estimated amount.

9 - Income Maintenance

9.1 An employee:

- (a) who is redeployed within a Hospital department or to another Network department to a position of lower classification, grade or wage group which attracts a lower income than the substantive position previously held; or
- (b) whose income is reduced as a result of an organisational change, shall be entitled to a temporary income maintenance allowance.

9.2 The affected employee's fortnightly income maintenance allowance shall be calculated by taking the difference between the employee's average fortnightly ordinary pay over the 12 month period worked prior to the change and the employee's projected average fortnightly ordinary pay over a 12 month period subsequent to the change.

9.3 The period during which any income maintenance allowance shall be claimable/payable shall not exceed 12 months from the date of redeployment.

9.4 Income maintenance may be paid as a lump sum at the beginning of the income maintenance period or be paid as a fortnightly allowance.

9.5 Where, during the income maintenance period, it becomes apparent that the employee's projected average earnings for the forthcoming 12 months have been significantly under or over estimated, the fortnightly income maintenance allowance shall be immediately recalculated such as to avoid any significant over/under payment at the end of the income maintenance period.

9.6 If the affected employee ceases employment in a position referred to in clause 9.1 (for whatever reason) prior to the expiry of the income maintenance period and has received a lump sum referred to in clause 9.4, that employee shall repay the Network the balance of the lump sum. This balance represents the amount the employee would have been entitled to, for the period calculated from the date the employee ceases employment to the end of the maintenance period, if the employee had not ceased employment in that position.

9.7 A full reconciliation shall be undertaken at the end of the income maintenance period with appropriate payment/repayment to be made by one or other party where underpayment/overpayment has occurred.

9.8 At the end of the relevant income maintenance period, the affected employee shall be remunerated in accordance with those provisions prescribed to the particular position to which the affected employee has been redeployed.

9.9 Income maintenance shall be paid only once in relation to each organisational change.

10 - Redundancy Arrangements

- 10.1 Where a position has been declared redundant and suitable redeployment opportunities have not been identified in accordance with clause 6, the affected employee shall be offered a departure package as per Appendix 1.
- 10.2 Expressions of interest in departure packages may be sought from non-affected employees if their departure would facilitate redeployment of affected employees.
- 10.3 The Network shall apply to the Hospitals Superannuation Board for the Network Departure Package to be treated as a "bona fide redundancy" under section 3(1) of the Hospitals Superannuation Act 1988 (Vic).
- 10.4 Payment for unused annual leave, ADOs (where applicable) and long service leave shall be made in accordance with the award applicable to the affected employee.
- 10.5 Independent financial counselling will be made available by the Network to affected employees. An employee who wishes to access this service may do so through the Change Manager. The costs of counselling will be borne by the Network to a limit of one visit.

11 - Dispute Resolution

- 11.1 It is the intention of the parties to this Agreement that any dispute or grievance arising through its application shall be referred to the Change Manager for review in the first instance,
- 11.2 The parties agree that any such issues should preferably be resolved between the parties without recourse to industrial action, threat or intimidation by any party.
- 11.3 As soon as practicable after a dispute or grievance referred to in clause 11.1 has arisen, the Change Manager shall schedule a special dispute resolution meeting involving appropriate representatives of the parties at which matter/s in dispute can be discussed fully and openly,
- 11.4 Any agreement reached as a result of the discussions referred to in clause 11.3, shall be final and binding on the parties concerned and shall be documented to the satisfaction of the parties.
- 11.5 Where a dispute or grievance remains unresolved after the meeting/s referred to in clause 11.3, the matter shall be referred to the Network Change Committee. Whilst the parties accept and promote the advantages of early local resolution, it is understood that, from time to time, issues may also be raised at the Network Change Committee which are still the subject of discussion with the Change Manager.
- 11.6 Any agreement reached between the parties through the process described in clause 11.5 shall be final and binding on the parties and documented to the satisfaction of the parties.
- 11.7 Where a dispute or grievance remains unresolved after the meeting/s referred to in clause 11.5 and the parties agree that a resolution cannot be made at this level, the matter shall be referred to the Network's Chief Executive Officer and the union secretary.

11.8 Any agreement reached between the parties through the process described in clause 11.7 shall be final and binding on the parties and documented to the satisfaction of the parties.

11.9 The above steps shall be completed within fourteen (14) days unless otherwise agreed by the parties.

11.10 Where a dispute or grievance remains unresolved after the process referred to in clause 11.7 and the parties agree a resolution cannot be reached at that level, the services of an independent conciliator acceptable to all parties shall be sought within seven days.

11.11 Any agreement reached between the parties through the process described in clause 11.10, shall be final and binding on the parties and documented to the satisfaction of the parties.

11.12 Where a dispute or grievance remains unresolved after the processes referred to in clauses 11.1 to 11.11, any party may refer the matter to the Australian Industrial Relations Commission for resolution.

11.13 Without any prejudice to any party to the dispute or grievance, work shall continue as prior to the dispute or grievance being notified without disruption while the matter/s in dispute are dealt with in accordance with the processes outlined above.

11.14 Health and safety matters are exempt from clause 11.13.

12 - Amendment of Agreement

This Agreement may be amended at any time by mutual agreement between the parties to this Agreement.

13 - Review of Agreement

The parties shall commence a formal review of this agreement 3 months before the agreement is scheduled to expire.

Appendix 1 - Voluntary Departure Package

- 4 weeks ordinary pay; plus
- 2 weeks ordinary pay per year of continuous service for up to 15 years (30 weeks); plus
- a lump sum voluntary departure incentive of \$10,000 for permanent full time employees and a pro-rata payment for permanent part time employees.

The total of the payment above has a maximum value of 34 weeks pay plus the lump sum payment. However, the total amount received shall not exceed the gross salary the employee would have been paid if the employee had worked until 65 years of age. Restrictions which attach to recipients of Government funded voluntary departure packages shall apply to affected employees under this Agreement.

NETWORK DEPARTURE PACKAGE

- 4 weeks ordinary pay; plus
- 2 weeks ordinary pay per year of continuous service (as recognised for purposes of long service leave) to a maximum of 10 years;

provided that the total amount received shall not exceed the amount which the employee would have earned if the employee had worked until 65 years of age.

Continuous service is calculated pro-rata on a monthly basis. In addition to the above, an employee who has elected to discontinue a period of redeployment as per clause 6.2 shall be entitled to a lump sum amount equal to the unexpired portion of the redeployment period.

Appendix 2 - Western Health Care Network

NETWORK CHANGE COMMITTEE1 MEMBERSHIP

MANAGEMENT REPRESENTATIVES

- a) Network Director of Human Resources (Chair)
- b) Network Change Manager
- c) Network Management Representative
- d) Nominee of Executive Director - Western Hospital
- e) Nominee of Executive Director - Royal Melbourne Hospital
- f) Nominee of Chief Executive Officer - Williamstown Hospital
- g) Nominee of Chief Executive Officer - North West Hospital

STAFF REPRESENTATIVES

- a) H.S.U.A. - 3 representatives
- b) Australian Nursing Federation - 2 representatives

2 TERMS OF REFERENCE

- 2.1 To receive and consider major proposals to implement changes in program, Organisation, structure or technology which are likely to have a significant effect on employees.
- 2.2 To consider the impact of major changes and examine options to avert or mitigate any adverse effects on employees.
- 2.3 To ensure, where appropriate, that local consultative arrangements are in place to oversee the change implementation.
- 2.4 To receive and consider periodic reports on the implementation of Organisation change initiatives from the Change Manager and/or functional Working Parties.
- 2.5 To endeavour to resolve grievances and disputes relating to organisational change without recourse to industrial action.
- 2.6 To monitor the application of redeployment procedures within the Network for employees affected by organisational change.

Whilst the consultative processes outlined above will endeavour to reach a consensus position on each issue, in cases where agreement cannot be reached, the Network reserves its right to implement change. In this process the rights of the Network and unions to seek external conciliation/ arbitration are preserved.

3 FREQUENCY OF MEETINGS

The Committee shall meet weekly in the first instance, unless otherwise determined by the Committee. Such frequency to be formally reviewed in July 1996.

4 CO-OPTION OF ADDITIONAL COMMITTEE MEMBERS

Either party may periodically co-opt additional committee members subject to:

- o such additional member having particular relevance to an item under discussion; and
- o prior notification to the chair.